Craig R. Barrett Intel Corporation

Mark V. Hurd Hewlett-Packard Company

Joseph McGrath Unisys Corporation

Samuel J. Palmisano IBM Corporation

James M. Ringler NCR Corporation

Kevin Rollins Dell Inc.

Mike Splinter Applied Materials, Inc.

Joseph Tucci EMC Corporation

Ed Zander Motorola, Inc.

Bruce P. Mehlman Executive Director April 20, 2005

The Honorable William M. Thomas Chairman House Committee on Ways and Means 1102 Longworth House Office Building Washington, DC 20515

Dear Chairman Thomas:

As members of the Computer Systems Policy Project (CSPP), we are writing to urge Congress to pass the U.S. - Dominican Republic, Central American Free Trade Agreement (U.S.-D.R.-CAFTA).

CSPP is a CEO policy advocacy organization focused on ensuring U.S. competitiveness through technology leadership. CSPP promotes an agenda that drives innovation, boosts U.S. technology advancements and fosters robust economic growth.

Trade and access to overseas markets are essential to the growth, health and success of CSPP companies, our employees across America, our customers, as well as our vendors and suppliers. Access to foreign markets is critical to our industry because for the majority of our companies, more than 60 percent of revenues come from overseas. Trade agreements are the tools we use to open markets to U.S. information technology goods and services. Congressional passage of the implementing legislation for the U.S.-D.R.-CAFTA represents an important opportunity to further these objectives.

This important agreement will increase our industry's access to a growing market. Tariff elimination is a high priority because the United States already provides duty-free access for information technology products. As part of the agreement, the Dominican Republic, Guatemala, Honduras and Nicaragua will join Costa Rica and El Salvador as members of the Information Technology Agreement and eliminate tariffs on U.S. information technology product exports. This will save U.S. technology exporters millions of dollars annually and help expand a growing market that today is worth more than \$2.5 billion in U.S. high-tech exports.

The U.S.-D.R.-CAFTA agreement incorporates forward-looking provisions in services, intellectual property, and e-commerce, as well as in the areas of labor and environment. The countries have made commitments in all services sectors with narrow exceptions, which will lead to important reforms in the telecommunications sector in Costa Rica, provide market access for computer and related services, and create other new opportunities for the U.S. high-tech industry. Strong intellectual property protections and e-commerce provisions that ensure non-discrimination and national treatment for digital products, such as software, help establish important precedents for future bilateral, regional, and multilateral agreements.

Finally, sales and exports to foreign markets will increasingly be the engine of growth for our industry. It is, therefore, critical that the U.S. continue to pursue an aggressive trade agenda. The U.S.-D.R.-CAFTA is not only an important market in and of itself; it is a building block towards hemispheric free trade and is essential to maintaining the forward momentum in the global World Trade Organization talks.

We appreciate continued Congressional support for a progressive U.S. trade agenda. We look forward to working with you to pass this important trade agreement.

Sincerely,

Cran R Banett

Craig R. Barrett

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Chairman, CSPP

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Joseph McGrath President & CEO

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President & CEO President & CEO Applied Materials, Inc. **EMC** Corporation El Zander

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